103D CONGRESS 1ST SESSION

H. R. 1358

To amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 relating to the innocent land owner defense and municipal liability, and to amend that Act and the Solid Waste Disposal Act relating to used oil.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 1993

Mr. Mineta introduced the following bill; which was referred jointly to the Committees on Energy and Commerce, and Public Works and Transportation

A BILL

To amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 relating to the innocent land owner defense and municipal liability, and to amend that Act and the Solid Waste Disposal Act relating to used oil.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. AMENDMENT TO SUPERFUND PERTAINING TO
- 4 INNOCENT LANDOWNER DEFENSE.
- 5 (a) IN GENERAL.—Section 101(35) of the Com-
- 6 prehensive Environmental Response, Compensation, and
- 7 Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended

- 1 by redesignating subparagraphs (C) and (D) as subpara-
- 2 graphs (D) and (E), respectively, and by inserting after
- 3 subparagraph (B), the following:
- 4 "(C)(i) A defendant who has acquired real property
- 5 shall have established a rebuttable presumption that he
- 6 has made all appropriate inquiry within the meaning of
- 7 subparagraph (B) if he establishes that, immediately prior
- 8 to or at the time of acquisition, he obtained a Phase I
- 9 Environmental Audit of the real property which meets the
- 10 requirements of this subparagraph.
- 11 "(ii) For purposes of this subparagraph, the term
- 12 'environmental professional' means an individual, or an
- 13 entity managed or controlled by such individual who,
- 14 through academic training, occupational experience and
- 15 reputation (such as engineers, environmental consultants
- 16 and attorneys), can objectively conduct one or more as-
- 17 pects of a Phase I Environmental Audit. For purposes of
- 18 this subparagraph, the term 'Phase I Environmental
- 19 Audit' means an investigation of the real property, con-
- 20 ducted by environmental professionals, to determine or
- 21 discover the obviousness of the presence or likely presence
- 22 of a release or threatened release of hazardous substances
- 23 on the real property and which consists of a review of each
- 24 of the following sources of information concerning the
- 25 previous ownership and uses of the real property:

- "(I) Recorded chain of title documents regarding the real property, including all deeds, easements, leases, restrictions, and covenants for a period of 50 years.
 - "(II) Aerial photographs which may reflect prior uses of the real property and which are reasonably obtainable through State or local government agencies.
 - "(III) Determination of the existence of recorded environmental cleanup liens against the real property which have arisen pursuant to Federal, State, and local statutes.
 - "(IV) Reasonably obtainable Federal, State, and local government records of sites or facilities where there has been a release of hazardous substances and which are likely to cause or contribute to a release or threatened release of hazardous substances on the real property, including investigation reports for such sites or facilities; reasonably obtainable Federal, State, and local government environmental records of activities likely to cause or contribute to a release or a threatened release of hazardous substances on the real property, including landfill and other disposal location records, underground storage tank records, hazardous waste han-

dler and generator records and spill reporting 1 2 records; and such other reasonably obtainable Federal, State, and local government environmental 3 records which report incidents or activities which are likely to cause or contribute to a release or threat-6 ened release of hazardous substances on the real 7 property. A record is considered to be reasonably obtainable for purposes of this subclause if a copy or 8 reasonable facsimile of the record is obtainable from 9 10 the government agency by request.

- "(V) A visual site inspection of the real property and all facilities and improvements on the real property, and a visual inspection of immediately adjacent properties from the real property, including an investigation of any chemical use, storage, treatment and disposal practices on the property.
- "(iii) No presumption shall arise under clause (i) unless the defendant has maintained a compilation of the information reviewed in the course of the Phase I Environmental Audit.
- "(iv) Notwithstanding any other provision of this paragraph, if the Phase I Environmental Audit discloses the presence or likely presence of a release or threatened release of hazardous substances on the real property to be acquired, no presumption shall arise under clause (i)

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- 1 with respect to such release or threatened release unless
- 2 the defendant has taken reasonable steps, in accordance
- 3 with current technology available, existing regulations,
- 4 and generally acceptable engineering practices, as may be
- 5 necessary to confirm the absence of such release or threat-
- 6 ened release.".
- 7 (b) Effective Date.—Subparagraph (C) of section
- 8 101(35) of the Comprehensive Environmental Response,
- 9 Compensation, and Liability Act of 1980, as added by sub-
- 10 section (a), shall take effect on the date of the enactment
- 11 of this Act.
- 12 SEC. 2. LIABILITY FOR CERTAIN SUBSTANCES.
- 13 (a) GENERATION AND TRANSPORTATION OF MUNICI-
- 14 PAL SOLID WASTE—Section 107 of the Comprehensive
- 15 Environmental Response, Compensation, and Liability Act
- 16 of 1980 (42 U.S.C. 9607), commonly referred to as
- 17 "Superfund", is amended by adding at the end the follow-
- 18 ing new subsection:
- 19 "(n) Limitation on Liability for Generation
- 20 OR TRANSPORTATION OF MUNICIPAL SOLID WASTE.—
- 21 "(1) IN GENERAL.—No municipality or other
- person shall be liable for any costs or damages
- under paragraph (3) or (4) of subsection (a) of this
- section by reason of such municipality or other per-

- 1 son's generation or transportation of municipal solid 2 waste. "(2) DEFINITIONS.—As used in this sub-3 section— "(A) the term 'municipality' means any political subdivision of a State, including any city, 6 7 county, town, township, school district, and other legal government entity; and 8 "(B) the term 'municipal solid waste' 9 means solid waste generated by households and 10 includes waste from commercial, institutional, 11 12 and industrial sources if the amount and tox-13 icity of substances contained in the waste do 14 not exceed that which one would expect to find 15 in waste generated by households. "(3) Guidelines.—The Administrator may 16 17 promulgate guidelines to be used in determining the 18 waste which qualifies as municipal solid waste under 19 paragraph (2)(B).". (b) EFFECTIVE DATE.—The amendment made by 20 subsection (a) shall apply with respect to response actions
- subsection (a) shall apply with respect to response actions and suits brought under the Comprehensive Environmental Response, Compensation, and Liability Act of the 1980 whether such response action or suits are commenced before, on, and after the date of the enactment

- of this Act; except that such amendment shall not apply to any suit brought under such Act in which final judgment has been entered by a court before the date of the enactment of this Act. SEC. 3. LIABILITY FOR CERTAIN SUBSTANCES. 6 (a) GENERATION AND TRANSPORTATION OF MUNICI-PAL SOLID WASTE.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act 8 of 1980 (42 U.S.C. 9607), commonly referred to as "Superfund", is amended by adding at the end the following new subsection: 11 "(n) Limitation on Liability for Generation 12 13 OR TRANSPORTATION OF MUNICIPAL SOLID WASTE.— "(1) IN GENERAL.—No municipality or other 14 person liable for any costs or damages under para-15 graph (3) or (4) of subsection (a) of this section by 16 17 reason of such municipality or other person's gen-18 eration or transportation of municipal solid waste 19 shall be liable for more than 4 percent of such costs 20 and damages. DEFINITIONS.—As used in this sub-21 "(2)
- section—"(A) the term 'municipality' means any po-
- 23 "(A) the term 'municipality' means any po-24 litical subdivision of a State, including any city,

- county, town, township, school district, and other legal government entity; and
- "(B) the term 'municipal solid waste'
 means solid waste generated by households and
 includes waste from commercial, institutional,
 and industrial sources if the amount and toxicity of substances contained in the waste do
 not exceed that which one would expect to find
 in waste generated by households.
- 10 "(3) GUIDELINES.—The Administrator may 11 promulgate guidelines to be used in determining the 12 waste which qualifies as municipal solid waste under 13 paragraph (2)(B).".
- (b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to response actions and suits brought under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 whether such response action or suits are commenced before, on, and after the date of the enactment of this Act; except that such amendment shall not apply to any suit brought under such Act in which final judgment has been entered by a court before the date of the enactment of this Act.

SEC. 4. MANAGEMENT OF USED OIL.

- 2 (a) Definition of Used Oil.—Section 1004(36) of
- 3 the Solid Waste Disposal Act is amended to read as
- 4 follows:
- 5 "(36) The term 'used oil' means any oil which
- 6 has been—
- 7 ''(A) refined from crude oil,
- 8 "(B) used, and
- 9 "(C) as a result of such use or as a result
- of spillage or commingling with other wastes,
- 11 contaminated by physical or chemical impuri-
- 12 ties.".
- 13 (b) Restrictions on Used Oil.—(1) Section 3014
- 14 of the Solid Waste Disposal Act is amended to read as
- 15 follows:
- 16 "SEC. 3014. MANAGEMENT OF USED OIL.
- 17 "(a) Modified Listing as a Hazardous Waste.—
- 18 "(1) Listing of Certain used oil and
- 19 PRODUCTS DERIVED FROM USED OIL.—Not later
- 20 than 12 months after the date of enactment of the
- National Waste Reduction, Recycling, and Manage-
- 22 ment Act, the Administrator shall promulgate regu-
- lations under section 3001 listing as a hazardous
- 24 waste used oil, and any product derived from used
- oil, that fails to meet the specifications set forth in
- paragraph (2).

1	"(2) Specifications for listing.—
2	"(A) In general.—The specifications re-
3	ferred to in paragraph (1) are as follows:
4	''(i) Flashpoint: 100° F. minimum.
5	"(ii) Lead: 2 ppm maximum.
6	"(iii) Arsenic: 2 ppm maximum.
7	"(iv) Chromium: 2 ppm maximum.
8	"(v) Cadmium: 2 ppm maximum.
9	"(vi) Total halogens: 1,000 ppm maxi-
10	mum.
11	''(vii) Polychlorinated biphenyls
12	(PCBs): 2 ppm maximum.
13	No used oil shall be listed or identified as a
14	hazardous waste for purposes of this subtitle if
15	it meets each of the specifications set forth in
16	clauses (i) through (vii) above. No product de-
17	rived from used oil shall be listed or identified
18	as a hazardous waste for purposes of this sub-
19	title if it meets each of the specifications set
20	forth in clauses (i) through (vii) above. Compli-
21	ance with the specifications set forth in this
22	subparagraph may not be achieved by blending
23	used oil with virgin oil or with any other solid
24	waste or other material.

taining used oil which, without treatment, meets the specifications of subparagraph (A) (including the requirements relating to blending) may be marketed as containing ingredients that never were, and are not now, hazardous wastes if the used oil is analyzed upon receipt at, and the used oil-derived fuel is analyzed before shipment from, the recycling facility to demonstrate compliance with such specifications. Records of such analyses shall be retained for at least 3 years.

"(3) USED OIL GENERATED BY PETROLEUM REFINING OR PRODUCTION FACILITIES.—Used oil generated by petroleum refining or production facilities, which is to be refined along with normal process streams at a petroleum refining facility, shall be exempt from the provisions of this subtitle applicable to hazardous waste if it is inserted into the refining process or production pipeline.

"(b) EPA REGULATIONS.—

"(1) IN GENERAL.—On the effective date provided in subsection (i), the provisions of this subtitle applicable to listed hazardous waste shall apply to all used oil which fails to meet the specifications set

forth in subsection (a)(2)(A). Simultaneously with the promulgation of regulations listing used oil as provided in subsection (a)(1), the Administrator shall promulgate regulations under paragraph (2) of this subsection, together with additional regulations under this section applicable to the generation, collection, transportation, treatment, storage, recycling, burning and disposal of used oil which is listed as provided in subsection (a)(1). Such regulations shall take effect on the effective date provided in subsection (i). The Administrator shall ensure that such regulations protect human health and the environment and, to the extent consistent with that goal, do not discourage the recovery or recycling of used oil.

"(2) Exemption from subtitle c requirements.—

"(A) Persons generating used oil which is household waste who generates used oil which is household waste (as defined under regulations of the Administrator under this subtitle) shall be exempt, with respect to such used oil, from regulation under this section or under any other provision of this subtitle.

"(B) CURBSIDE PICKUP AND TRANSPORTATION OF USED OIL.—The curbside pickup and transportation of used oil which is household waste (as defined under regulations of the Administrator under this subtitle) from residential locations as part of a curbside pickup program sanctioned by a State or local government shall be exempt from regulation under this section or under any other provision of this subtitle. For purposes of this subparagraph, the term 'curbside pickup' shall not include storage (including storage at a used oil collection center which is part of a program sanctioned by a State or local government).

- "(C) RECYCLING OF SCRAP METAL, PAPER, PLASTIC, GLASS, TEXTILES, ETC.—No scrap metal, paper, plastic, glass, textile, or any absorbent material shall be subject to this section by reason of the incidental presence of used oil in or on such material.
- "(c) GENERATION AND COLLECTION CENTERS.—
 Notwithstanding the listing of used oil under section 3001,
 no generator of used oil and no person operating a used
 oil collection center shall be deemed to have generated or
 stored a listed hazardous waste, and no such generator

- 1 or collection center shall be subject to regulation under
- 2 provisions of this subtitle other than this section, if such
- 3 generator or collection center has complied with each of
- 4 the following paragraphs—
- 5 "(1) The generator or collection center has ei-
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- 7 "(A) recycled or burned the used oil at any 8 facility with a permit under subsection (c) or 9 (e) of section 3005, or
 - "(B) entered into an agreement or other arrangement with a transporter, recycler, or any other person for periodic transportation of the used oil from the point of generation or collection by a licensed used oil transporter for delivery to a facility with a permit under subsection (c) or (e) of section 3005 within 90 days of generation (except that volumes of less than 500 gallons may be stored by the generator for up to 12 months prior to such delivery).
 - "(2) The generator or collection center has not disposed of the used oil in a manner other than as provided under paragraph (1) or mixed the used oil with any other type of hazardous wastes. The Administrator shall promulgate rules under which any used oil collection center which is also a generator

of used oil may segregate the used oil which such person generates from the used oil collected from other persons. For purposes of this paragraph, no generator of used oil or used oil collection center shall be presumed to have mixed such used oil with other hazardous waste by reason of the used oil's halogen content if the halogen content of such used oil is less than 3,000 parts per million (ppm).

- "(3) The generator or collection center has maintained records of—
 - "(A) the volume of all used oil recycled or burned by the generator or collection center at a facility which has a permit under subsection (c) or (e) of section 3005; and
 - "(B) all agreements or arrangements pursuant to paragraph (1) and the approximate volume of all used oil transferred to any other person for transportation to a facility which has a permit under subsection (c) or (e) of section 3005.
- "(d) Transportation.—All transporters of used oil which is a hazardous waste listed under section 3001 shall comply with standards promulgated under section 3003, except that in the case of used oil that does not contain concentrations of 3,000 parts per million (ppm) or more

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- 1 of halogens, the Administrator shall modify the require-
- 2 ments otherwise applicable under section 3003 to used oil
- 3 transporters to require such transporters to meet the in-
- 4 surance requirements of the Hazardous Materials Trans-
- 5 portation Act for fuel oil not otherwise specified. The Ad-
- 6 ministrator shall also modify the manifest requirements
- 7 applicable to such used oil so as to allow the transporter
- 8 to fill out 1 manifest for each load delivered to a facility
- 9 which has a permit under subsection (c) or (e) of section
- 10 3005, which manifest shall list each source and volume
- 11 of the oil delivered to the facility. The transporter shall
- 12 provide to the generator or collection center a receipt for
- 13 the oil transported, setting forth the name and address
- 14 of the permitted facility to which the oil will be trans-
- 15 ported and such other information as the Administrator
- 16 may deem necessary.
- 17 "(e) Disposal, Burning, or Processing Facili-
- 18 TIES.—
- 19 "(1) IN GENERAL.—The regulations under this
- section shall require hazardous waste management
- units of facilities that dispose of, or burn, used oil
- which is hazardous waste listed under section 3001
- or that process or rerefine any such used oil which
- is generated off-site to comply, without exception,
- with the standards promulgated under section 3004

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applicable to hazardous waste treatment, storage and disposal facilities, as in effect as of the date of the enactment of the National Waste Reduction, Recycling, and Management Act. Each hazardous waste management unit of a facility referred to in the preceding sentence shall be required to obtain an individual permit under section 3005(c) and the Administrator may not issue a permit-by-rule for any such facility. Each facility that processes or rerefines any such used oil to produce a product that meets the specifications set forth in subsection (a)(2)(A) of this section shall maintain records of volumes and constituent concentrations of incoming used oil and outgoing recycled oil and documentation to demonstrate to the satisfaction of the Administrator that compliance with such specifications have been achieved without blending used oil with virgin oil or with any other solid waste or other material.

"(2) EXPEDITED PERMITTING.—The Administrator shall promulgate regulations to develop modified procedures to expedite the issuance of permits to used oil recycling facilities referred to in paragraph (1) where such facilities consist primarily of tank and container units and where such permitting does not involve decisions and determinations on

- 1 site-specific matters (including, but not limited to
- decisions on post-closure care, corrective action, or
- 3 other remediation).
- 4 "(f) USED OIL CREDIT SYSTEM.—The Administrator
- 5 shall promulgate rules under this subsection establishing
- 6 a mandatory recycling program for used oil to require pro-
- 7 ducers and importers of lubricating base stock to reuse
- 8 or guarantee the reuse of an annually increasing percent-
- 9 age of used lubricating oil. The program shall include the
- 10 establishment of a system of economic credits to imple-
- 11 ment such program. Such percentage for the first year of
- 12 this program shall be equal to the percentage which is 2
- 13 percent higher than the percent of used oil that was
- 14 rerefined into lubricating base stock or processed for en-
- 15 ergy recovery during the last calendar year ending prior
- 16 to the enactment of this Act and shall increase each year
- 17 for no fewer than 10 subsequent years at least an
- 18 additional 2 percent per year.
- 19 "(g) USED OIL COLLECTION PROGRAMS.—In order
- 20 to encourage used oil collection the Administrator shall re-
- 21 quire States to provide economic and other incentives to
- 22 retailers and other persons who collect, or otherwise ac-
- 23 cept, used oil from persons exempt from regulation under
- 24 this title pursuant to subsection (b)(2)(A) or from persons
- 25 engaged in the curbside pickup or transportation of used

- 1 oil which is exempt from this subtitle pursuant to sub-
- 2 section (b)(2)(B) where such retailer or other person col-
- 3 lecting or accepting the used oil does not impose a charge
- 4 on such persons for such collection or receipt. Each State
- 5 shall establish a program under this subsection which shall
- 6 include the imposition of fees in the amount of 5 cents
- 7 per quart on refined or re-refined lubricating base stock
- 8 sold or transferred in the State or imported into the State
- 9 for sale at retail in the State. No fee shall be required
- 10 for oil for which a fee has previously been imposed in any
- 11 State. The fee shall be paid by the person or entity who
- 12 first packages, distributes, or sells lubricating oil for use
- 13 in the State. Each such State shall use the revenues de-
- 14 rived from such fees to improve State and local used oil
- 15 collection efforts described in this subsection. A State may
- 16 also establish a system, in conjunction with a nonprofit
- 17 organization, to certify used oil collection sites which com-
- 18 ply with the requirements of this section as participants
- 19 in an 'Environmentally Beneficial Used Oil Collection
- 20 Program.'.
- 21 "(h) Definitions.—As used in this section—
- 22 "(1) Used oil collection center.—The
- term 'used oil collection center' means any site at
- 24 which used oil is accepted from other persons and
- 25 temporarily stored or any site at which used oil is

1 removed from motor vehicles and temporarily stored, 2 including service stations, fleet maintenance facilities and community recycling facilities. The term 'used 3 oil collection center' shall not include any site that generates used oil as a household waste or any facil-6 ity at which used oil is stored by a transporter sub-7 ject to subsection (d) or a facility subject to sub-8 section (e). The Administrator may limit this defini-9 tion in terms of the maximum volume stored as may 10 be necessary.

- "(2) USE OF TERMS 'RECYCLE' AND 'RECYCLING'.—The terms 'recycle' and 'recycling' do not include burning for heat, energy, disposal or for any other purpose.
- 14 "(i) Effective Date.—The requirements of this 15 section applicable to the management of used oil and the 16 requirements of any regulations promulgated under this 17 section shall take effect on the date 18 months after the enactment of the National Waste Reduction, Recycling, 19 and Management Act, except that the Administrator may 20 extend such effective date for not more than an additional 24 months in order to provide adequate opportunity for facilities engaged in the recycling, burning, re-refining, and storage of used oil to come into compliance with such requirements.". 25

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- 1 (2) The item relating to section 3014 in the table of
- 2 contents for subtitle C of the Solid Waste Disposal Act
- 3 is amended to read as follows:

"Sec. 3014. Management of used oil.".

- 4 (c) Procurement of Re-refined Oil.—Section
- 5 6002(c) of the Solid Waste Disposal Act is amended by
- 6 adding the following after paragraph (3):
- 7 "(4) Each procuring agency shall submit a report to
- 8 the Administrator on the procuring agency's annual review
- 9 and monitoring of the effectiveness of its re-refined oil
- 10 procurement program, as set forth in 40 C.F.R. section
- 11 252.24. The Administrator shall submit a report to Con-
- 12 gress summarizing these reports by October 1 of each
- 13 year, starting with October 1, 1992.".
- 14 (d) AMENDMENT OF CERCLA.—Section 114(c)(1)
- 15 of the Comprehensive Environmental Response, Com-
- 16 pensation, and Liability Act of 1980 (Superfund) is
- 17 amended to read as follows:
- 18 "(c) USED OIL.—
- 19 "(1) Service station dealers, etc.—No
- person (including the United States or any State)
- 21 may bring an action under the authority of sub-
- section (a)(3) or (a)(4) of section 107 against a
- 23 service station dealer for any response costs or dam-
- ages resulting from a release or threatened release
- of used oil, or use the authority of section 106

against a service station dealer other than a person 1 described in subsection (a)(1) or (a)(2) of section 2 107, if such used oil— 3 "(A) is not mixed with any other hazardous waste, and "(B) is stored, treated, transported, or 6 7 otherwise managed in compliance with regulations or standards promulgated pursuant to 8 section 3014 of the Solid Waste Disposal Act 9 and other applicable authorities. 10 Nothing in this paragraph shall affect or modify in 11 12 any way the obligations or liability of any person 13 under any other provision of State or Federal law, 14 including common law, for damages, injury, or loss 15 resulting from a release or threatened release of any hazardous substance or for removal or remedial ac-16 17 tion or the costs of removal or remedial action. For 18 the purpose of subsection (c)(1)(A), no used oil shall 19 be deemed to be mixed with hazardous waste by rea-20 son of its halogen content if it contains less than 3,000 ppm halogens.". 21 (e) Definition.—Section 101(37) of the Com-22 prehensive Environmental Response, Compensation, and

Liability Act of 1980 is amended to read as follows:

["(37)(A)	The	term	'service	station	dealer'
2	means any person—					

"(i) who owns or operates a motor vehicle service station, filling station, garage, or similar retail establishment engaged in the business of selling, repairing, or servicing motor vehicles or parts, where a significant percentage of the gross revenue of the establishment is derived from the fueling, repairing, servicing, or sale of parts for motor vehicles, and

"(ii) who accepts for collection, accumulation, and delivery to an oil recycling facility, used oil that (I) has been removed from the engine of a light duty motor vehicle or household appliances by the owner of such vehicle or appliances, and (II) is presented, by such owner, to such person for collection, accumulation, and delivery to an oil recycling facility.

"(B) For purposes of section 114(c), the term 'service station dealer' shall, notwithstanding the provisions of subparagraph (A), include any government agency that establishes a facility solely for the purpose of accepting used oil that satisfies the criteria set forth in subclauses (I) and (II) of subparagraph (A)(ii) and, with respect to used oil that satis-

	fies the criteria set forth in subclauses (I) and (II),
2	owners or operators of refuse collection services who
3	are compelled by State law to collect, accumulate,
1	and deliver such oil to an oil recycling facility.

"(C) The President shall promulgate regulations regarding the determination of what constitutes a significant percentage of the gross revenues of an establishment for purposes of this paragraph.".

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